



Notice of Extraordinary General Meeting and Explanatory Memorandum

Hydrix Limited

ACN 060 369 048

Date: Thursday 14 April 2022

Time: 3.00pm (Melbourne time)

Place: Holding Redlich
Level 8, 555 Bourke Street
Melbourne VIC 3000

IMPORTANT INFORMATION

QUESTIONS FROM SHAREHOLDERS

In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company in relation to the business of this Meeting. Please send your questions via email to:

Company Secretary
Hydrix Limited
Alyn.Tai@hydrix.com

Written questions must be received by no later than **5.00pm (Melbourne time) on Thursday 7 April 2022**. Your questions should relate to matters that are relevant to the business of the Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Meeting to ask questions about, or make comments upon, matters in relation to the business of the Meeting.

During the course of the Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable. However, there may not be sufficient time to answer all questions at the Meeting. Please note that individual responses may not be sent to shareholders.

VOTING INFORMATION

Voting by proxy

- (a) A shareholder entitled to attend and vote at the Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the Meeting, 2 proxies, to attend and vote instead of the shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the Meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the Meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the Meeting.
- (e) A proxy form accompanies this Notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this Notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power or authority by **3.00pm (Melbourne time) on Tuesday 12 April 2022** at the share registry, being Boardroom Pty Limited, as follows:

Online <https://www.votingonline.com.au/hydegm2022>

By post Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

By personal delivery Boardroom Pty Limited
Level 12, Grosvenor Place
225 George Street
Sydney NSW 2000

By facsimile +61 9290 9655

Voting and other entitlements at the Meeting

A determination has been made by the Board under regulation 7.11.37 of the *Corporations Regulations 2001* that shares in the Company which are on issue at **7.00pm (Melbourne time)** on **Tuesday 12 April 2022** will be taken to be held by the persons who held them at that time for the purposes of the Meeting (including determining voting entitlements at the meeting).

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of Hydrix Limited ACN 060 369 048 will be held at the offices of Holding Redlich, Level 8, 555 Bourke Street, Melbourne VIC 3000 on Thursday 14 April 2022 at 3.00pm (Melbourne time)

BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Extraordinary General Meeting.

Ratification of previous issues of securities

Resolution 1	Ratification of issue of Tranche 1 Placement Shares
Description	The Company seeks shareholder approval under ASX Listing Rule 7.4 for the prior issue of Tranche 1 Placement Shares.
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 22,280,000 Shares under the Tranche 1 Placement on 7 March 2022, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none">(a) any person who participated in the issue of the Tranche 1 Placement Shares; or(b) any associates of the persons named in sub-paragraph (a). <p>However, this does not apply to a vote cast in favour of a resolution by:</p> <ul style="list-style-type: none">(c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or(d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or(e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:<ul style="list-style-type: none">(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 2	Ratification of issue of Shares to Jasper Capital Ltd nominees
Description	The Company seeks shareholder approval under ASX Listing Rule 7.4 for a prior issue of Shares to Jasper Capital Ltd's nominees.
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>"THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 4,500,000 Shares to nominees of Jasper Capital Ltd on 15 March 2022, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) Jasper Capital Ltd and its nominees; or (b) any associates of the persons named in sub-paragraph (a). <p>However, this does not apply to a vote cast in favour of a resolution by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 3	Ratification of issue of JLM Options
Description	The Company seeks shareholder approval under ASX Listing Rule 7.4 for the prior issue of 1,000,000 JLM Options to the Joint Lead Managers to the Placement (and/or their nominees).
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 1,000,000 JLM Options on 7 March 2022, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) the Joint Lead Managers and any person who participated in the issue of the JLM Options; or (b) any associates of the persons named in sub-paragraph (a). <p>However, this does not apply to a vote cast in favour of a resolution by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Approval for issues of securities

Resolution 4	Approval for issue of Placement Attaching Options
Description	The Company seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of Attaching Options under the Placement.
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of:</i></p> <p>(a) <i>up to 22,280,000 Attaching Options under the Placement; and</i></p> <p>(b) <i>in the event of the exercise of the Attaching Options, the issue of the underlying Shares required to be issued on exercise of the Attaching Options,</i></p> <p><i>on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour on this resolution by or on behalf of:</p> <p>(a) any person who expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Attaching Options the subject of this Resolution (except a benefit solely by reason of being a holder of Shares in the Company); or</p> <p>(b) any associates of the persons named in sub-paragraph (a).</p> <p>However, this does not apply to a vote cast in favour of a resolution by:</p> <p>(c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or</p> <p>(d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or</p> <p>(e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:</p> <p>(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and</p> <p>(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.</p>

Resolutions 5A-5E: Approval for related parties to participate in Placement	
Description	Resolutions 5A - 5E seek Shareholder approval for Gavin Coote (Executive Chairman), Joanne Bryant (Non-Executive Director), Paul Lewis MBE, FAICD (Non-Executive Director), Paul Wright (Non-Executive Director), and John W King Nominees Pty Ltd (major shareholder and related party), and/or entities they control, to participate in the Placement.
Resolution 5A	Approval for Director Gavin Coote to participate in Placement
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,000,000 Placement Shares and 1,000,000 Attaching Options to Mr Gavin Coote and/ or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) Mr Gavin Coote and his nominee(s), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or (b) any associates of the persons named in sub-paragraph (a). <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5B	Approval for Director Joanne Bryant to participate in Placement
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 250,000 Placement Shares and 250,000 Attaching Options to Ms Joanne Bryant and/ or her nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) Ms Joanne Bryant and her nominee(s), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or (b) any associates of the persons named in sub-paragraph (a). <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5C	Approval for Director Paul Lewis MBE, FAICD to participate in Placement
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 2,000,000 Placement Shares and 2,000,000 Attaching Options to Mr Paul Lewis and/ or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) Mr Paul Lewis and his nominee(s), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or (b) any associates of the persons named in sub-paragraph (a). <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5D	Approval for Director Paul Wright to participate in Placement
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 250,000 Placement Shares and 250,000 Attaching Options to Mr Paul Wright and/ or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) Mr Paul Wright and his nominee(s), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or (b) any associates of the persons named in sub-paragraph (a). <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5E	Approval for John W King Nominees Pty Ltd to participate in Placement
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 2,500,000 Placement Shares and 2,500,000 Attaching Options to John W King Nominees Pty Ltd and/ or its nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by or on behalf of:</p> <ul style="list-style-type: none"> (a) John W King Nominees Pty Ltd and its nominee(s), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or (b) any associates of the persons named in sub-paragraph (a). <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or (d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 16 March 2022

By order of the Board of Hydrix Limited



Alyn Tai
Company Secretary

EXPLANATORY MEMORANDUM TO NOTICE OF EXTRAORDINARY GENERAL MEETING

Ratification of previous issue of Placement Shares

Resolution 1	Ratification of issue of Tranche 1 Placement Shares
<p>Explanation</p>	<p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for a previous issue of securities made by the Company during the last 12 months under:</p> <ul style="list-style-type: none"> ▪ ASX Listing Rule 7.1, which provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Equity Securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at the commencement of that 12 month period without shareholder approval (15% Placement Capacity); and ▪ ASX Listing Rule 7.1A, which enables the Company to issue Equity Securities of up to an additional 10% of its issued capital over a 12 month period, in addition to its ability to issue Equity Securities under its 15% Placement Capacity (10% Placement Capacity). <p>ASX Listing Rule 7.4 sets out an exception to the limitations on the Company's capacity to issue Equity Securities pursuant to its 15% Placement Capacity and 10% Placement Capacity, by permitting the ratification of previous issues of Equity Securities which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval.</p> <p>If shareholders of a company approve the ratification of such previous issues of Equity Securities at a general meeting, those Equity Securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p> <p>Accordingly, if shareholders ratify the previous issue of Equity Securities made by the Company by way of approving Resolution 1, those Equity Securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity or 10% Placement Capacity (as applicable).</p>
<p>Background</p>	<p>As announced to the ASX on 28 February 2022, the Company has undertaken a placement of 28,280,000 Placement Shares (at an issue price of \$0.10 per Share) to sophisticated investors, together with 1 free Attaching Option for every 1 Placement Share issued (each exercisable at \$0.18 and expiring on 31 March 2024) to raise \$2.82 million (before costs) (Placement).</p> <p>The Placement consists of two tranches:</p> <ul style="list-style-type: none"> ▪ Tranche 1 Placement: the Company issued 22,280,000 Shares on 7 March 2022; and ▪ Tranche 2 Placement: subject to shareholder approval being obtained at this meeting, the Company proposes to issue the following securities under Tranche 2 of the Placement:

	<p>(a) 6,000,000 Placement Shares and 6,000,000 Attaching Options to related parties of the Company (Related Party Securities) (the subject of Resolutions 5A –5E of this Notice); and</p> <p>(b) 22,280,000 free Attaching Options to investors who subscribed for Placement Shares (on a 1-for-1 basis) under the Tranche 1 Placement (the subject of Resolution 4 of this Notice).</p> <p>The Company is seeking shareholder approval under ASX Listing Rule 10.11 for the issue of the Related Party Securities (refer to Resolutions 5A – 5E), and ASX Listing Rule 7.1 for the issue of the 22,280,000 Attaching Options (refer to Resolution 4). Subject to shareholder approval, settlement of the Tranche 2 Placement will occur after the Meeting on or around Wednesday 20 April 2022, with allotment to occur on or around Thursday 21 April 2022.</p> <p>The Tranche 1 Placement Shares were issued using the Company's available placement capacities under ASX Listing Rules 7.1 and 7.1A. Specifically:</p> <ul style="list-style-type: none"> ▪ 5,794,394 Shares were issued under the Company's 15% Placement Capacity; and ▪ 16,485,606 Shares were issued under the Company's 10% Placement Capacity. <p>The Company seeks shareholder ratification for the issue of the 22,280,000 Tranche 1 Placement Shares under Listing Rules 7.1 and 7.1A, in accordance with ASX Listing Rule 7.4.</p>
<p>Specific information for Resolution 1</p>	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <p>Recipients of issue The Tranche 1 Placement subscribers comprised a number of sophisticated investors introduced to the Company by the Joint Lead Managers to the Placement and/or known to the Company.</p> <p>The only Tranche 1 Placement subscriber that was issued more than 1% of the Company's issued capital under the Placement, and which comes within the meaning of 'material investor' for the purposes of section 7.2 of ASX Guidance Note 21, is Patagorag Pty Ltd.</p> <p>Number and class of securities issued 22,280,000 fully paid ordinary shares, comprising:</p> <ul style="list-style-type: none"> ▪ 5,794,394 Shares issued under the Company's 15% Placement Capacity; and ▪ 16,485,606 Shares issued under the Company's 10% Placement Capacity. <p>Date of issue The Tranche 1 Placement Shares were issued on 7 March 2022.</p> <p>Issue price \$0.10 per Share</p>

	<p>Purpose of issue and use of funds raised</p> <p>As detailed in the Company's announcement dated 28 February 2022, the Placement funds raised will be (or have been) used for the following:</p> <ul style="list-style-type: none"> ▪ Market development and expansion of cardiac devices portfolio; ▪ Expand global business development and marketing of product design and engineering services; ▪ Venture investments in high potential early stage medtech device clients; ▪ Group working capital in support of strategic objectives; and ▪ Pay for the costs of the Placement. <p>Voting exclusion statement</p> <p>A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
Board Recommendation	<p>The Directors unanimously recommend that shareholders vote in favour of Resolution 1.</p> <p>As explained above, the effect of shareholder approval for Resolution 1 is the reinstatement of the Company's 15% Placement Capacity and 10% Placement Capacity.</p> <p>Although the Directors do not (save for as otherwise set out in this Notice) currently have any specific intention to make any further issue of Shares without approval of shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 15% Placement Capacity and 10% Placement Capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if shareholder approval for Resolution 1 is not obtained at the Meeting, the Company may be required to incur additional costs and delay of convening an extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p>
Chairman's available proxies	<p>The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.</p>

Ratification of previous issue of Shares to Jasper Capital Ltd

Resolution 2	Ratification of issue of Shares to Jasper Capital Ltd nominees
Explanation	<p>Resolution 2 seeks shareholder ratification under ASX Listing Rule 7.4 for the prior issue of 4,500,000 Shares to nominees of Jasper Capital Ltd. The Shares were issued on 15 March 2022, using the Company's 15% Placement Capacity.</p> <p>If shareholders ratify the issue of Shares to Jasper Capital Ltd's nominees by way of approving Resolution 2, those Shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.</p>
Background	<p>2019 Acquisition Agreement for Guardian System Distribution Rights</p> <p>As announced by Hydrix on 2 October 2019:</p> <ul style="list-style-type: none"> ▪ In October 2019, Hydrix entered into an agreement (2019 Acquisition Agreement) to acquire the exclusive rights to distribute the AngelMed Guardian® System (Guardian System) in eight Asia Pacific countries (Distribution Rights), from Jasper Capital Ltd (Jasper), the party which owned those Distribution Rights. ▪ Under the terms of the 2019 Acquisition Agreement, Hydrix agreed to issue to Jasper up to 15 million Shares (Consideration Shares) progressively in 4 tranches, subject to certain commercial milestones being satisfied by no later than 30 September 2021. <p>Variation to 2019 Acquisition Agreement</p> <p>As announced by Hydrix on 13 March 2020:</p> <ul style="list-style-type: none"> ▪ In March 2020, Hydrix completed the acquisition of the Distribution Rights from Jasper, by entering into a distribution agreement (Distribution Agreement) with the manufacturer of the Guardian System, Angel Medical Systems, Inc. (AngeMed). ▪ Concurrent with the execution of the Distribution Agreement, Jasper and Hydrix agreed to vary the structure of consideration payable by Hydrix under the 2019 Acquisition Agreement, and associated commercial milestones and timeframes. ▪ Under the varied terms of the 2019 Acquisition Agreement, the 15 million Consideration Shares will be issued to Jasper in the following tranches: <ul style="list-style-type: none"> ▪ Tranche 1A: 3 million Consideration Shares issued upon the Distribution Agreement being entered into (these Shares were issued on 13 March 2020, and were subject to voluntary escrow until their escrow release date of 13 March 2022); ▪ Tranche 1B: 4.5 million Consideration Shares to be issued upon receipt of approvals from the U.S. Food and Drug Administration (FDA) for the next generation Guardian System with an upgraded battery (Tranche 1B Milestone); ▪ Tranche 2: 5 million Consideration Shares, to be issued upon:

	<ul style="list-style-type: none"> ○ receipt of all applicable regulatory approvals required for the distribution of the Guardian System in either Australia or Singapore; and ○ the completion of five commercial implantations of the Guardian System that receive reimbursement in either or both of those countries, <p>subject to those milestones being satisfied by 31 October 2021 (extendable to 31 March 2022).</p> <ul style="list-style-type: none"> ▪ Tranche 3: 2.5 million Consideration Shares, to be issued upon: <ul style="list-style-type: none"> ○ receipt of applicable regulatory approvals required for the distribution of the Guardian System in Japan, Australia, and at least one of Hong Kong, Malaysia, Indonesia or Thailand (to be agreed by the parties); and ○ the completion of one commercial implantation of the Guardian System that receives reimbursement in one of those jurisdictions (excluding any commercial implantation of the Guardian System in Australia in satisfaction of Tranche 2), <p>subject to those milestones being satisfied by 31 March 2022 (extendable to 30 September 2022).</p> ▪ Any Consideration Shares issued by Hydrix under Tranches 1B, 2 and 3 will be subject to voluntary escrow restrictions from their date of issue until 31 December 2022 (Escrow Restriction). <p>Reason for Resolution 4</p> <p>As announced by Hydrix on 26 June 2021, the FDA has approved AngelMed's next generation Guardian System with an upgraded battery. As such, the Tranche 1B Milestone has been satisfied, and Hydrix is required to issue 4.5 million Consideration Shares to Jasper (Tranche 1B Shares).</p> <p>At its 2021 annual general meeting, Hydrix obtained shareholder approval under ASX Listing Rule 7.1 for the issue of the Tranche 1B Shares without using the Company's 15% Placement Capacity (2021 Approval). Further details of the 2021 Approval are set out in the Company's Notice of Annual General Meeting, lodged with ASX on 26 October 2021.</p> <p>In accordance with ASX Listing Rule 7.3.4, in order for Hydrix to rely on the 2021 Approval, the Tranche 1B Shares were required to be issued no later than 3 months following the annual general meeting (being 24 February 2022).</p> <p>Hydrix issued the Tranche 1B Shares outside this 3 month period, on 15 March 2022, and therefore was not able to rely on the 2021 Approval. As such, the Tranche 1B Shares were issued using the Company's 15% Placement Capacity.</p> <p>Hydrix is therefore seeking Shareholder ratification under ASX Listing Rule 7.4 for the prior issue of the Tranche 1B Shares on 15 March 2022, so that those Shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1, and will no longer be deducted from the Company's 15% Placement Capacity.</p>
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Specific information for Resolution 2	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <table> <tr> <td>Recipients of issue</td><td>Nominees of Jasper Capital Ltd</td></tr> <tr> <td>Number and class of securities issued</td><td>4,500,000 fully paid ordinary shares.</td></tr> <tr> <td>Date of issue</td><td>15 March 2022</td></tr> <tr> <td>Issue price per security</td><td>The Shares were issued for nil cash consideration, as they formed part of the deferred consideration payable by Hydrix to Jasper for acquiring the Distribution Rights.</td></tr> <tr> <td>Purpose of the issue</td><td>The purpose of the issue was to satisfy the Company's obligations under the 2019 Acquisition Agreement (as varied) to issue 4.5 million Consideration Shares to Jasper, following receipt of FDA approval of the next generation Guardian System with the upgraded battery.</td></tr> <tr> <td>Use of funds raised</td><td>No funds were raised from the issue of the Shares as they are being issued for nil cash consideration.</td></tr> <tr> <td>Terms of securities</td><td>The Shares are fully paid ordinary shares, free from all encumbrances (save for the Escrow Restriction) and rank equally with the other fully paid Shares then on issue in the Company.</td></tr> <tr> <td>Terms of agreement under which securities were issued</td><td>See above.</td></tr> <tr> <td>Voting exclusion statement</td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	Recipients of issue	Nominees of Jasper Capital Ltd	Number and class of securities issued	4,500,000 fully paid ordinary shares.	Date of issue	15 March 2022	Issue price per security	The Shares were issued for nil cash consideration, as they formed part of the deferred consideration payable by Hydrix to Jasper for acquiring the Distribution Rights.	Purpose of the issue	The purpose of the issue was to satisfy the Company's obligations under the 2019 Acquisition Agreement (as varied) to issue 4.5 million Consideration Shares to Jasper, following receipt of FDA approval of the next generation Guardian System with the upgraded battery.	Use of funds raised	No funds were raised from the issue of the Shares as they are being issued for nil cash consideration.	Terms of securities	The Shares are fully paid ordinary shares, free from all encumbrances (save for the Escrow Restriction) and rank equally with the other fully paid Shares then on issue in the Company.	Terms of agreement under which securities were issued	See above.	Voting exclusion statement	A voting exclusion statement applies to this item of business, as set out in the Notice.
Recipients of issue	Nominees of Jasper Capital Ltd																		
Number and class of securities issued	4,500,000 fully paid ordinary shares.																		
Date of issue	15 March 2022																		
Issue price per security	The Shares were issued for nil cash consideration, as they formed part of the deferred consideration payable by Hydrix to Jasper for acquiring the Distribution Rights.																		
Purpose of the issue	The purpose of the issue was to satisfy the Company's obligations under the 2019 Acquisition Agreement (as varied) to issue 4.5 million Consideration Shares to Jasper, following receipt of FDA approval of the next generation Guardian System with the upgraded battery.																		
Use of funds raised	No funds were raised from the issue of the Shares as they are being issued for nil cash consideration.																		
Terms of securities	The Shares are fully paid ordinary shares, free from all encumbrances (save for the Escrow Restriction) and rank equally with the other fully paid Shares then on issue in the Company.																		
Terms of agreement under which securities were issued	See above.																		
Voting exclusion statement	A voting exclusion statement applies to this item of business, as set out in the Notice.																		
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of Resolution 2.																		
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.																		

Ratification of previous issue of JLM Options to Joint Lead Managers

Resolution 3	Ratification of issue of JLM Options
Explanation	<p>Resolution 3 seeks shareholder ratification under ASX Listing Rule 7.4 for the prior issue of 1,000,000 JLM Options to nominees of the Joint Lead Managers. The JLM Options were issued on 7 March 2022, using the Company's 15% Placement Capacity.</p> <p>If shareholders ratify the issue of the JLM Options way of approving Resolution 3, those JLM Options will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.</p>

Background	<p>The Joint Lead Managers of the Placement, Bell Potter Securities Limited and Baker Young Limited, are entitled under the terms of their mandate to receive a total of 1,000,000 JLM Options, as part consideration for their services.</p> <p>The 1,000,000 JLM Options were issued using the Company's available placement capacity under ASX Listing Rules 7.1. The Company seeks shareholder ratification for the issue of the 1,000,000 JLM Options, in accordance with ASX Listing Rule 7.4.</p>																
Specific information for Resolution 3	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <table border="0"> <tr> <td data-bbox="485 600 746 629">Recipients of issue</td><td data-bbox="778 600 1380 629">Nominees of the Joint Lead Managers.</td></tr> <tr> <td data-bbox="485 651 746 712">Number and class of securities issued</td><td data-bbox="778 651 1380 712">1,000,000 unlisted options, each to acquire a fully paid ordinary share in Hydrix.</td></tr> <tr> <td data-bbox="485 734 746 795">Material terms of securities</td><td data-bbox="778 734 1380 884">The JLM Options are each exercisable into a Share at \$0.30, on or before their expiry date of 7 March 2025. The detailed terms of the JLM Options are set out in Annexure B to the Explanatory Memorandum.</td></tr> <tr> <td data-bbox="485 907 746 936">Date of issue</td><td data-bbox="778 907 1380 936">The JLM Options were issued on 7 March 2022.</td></tr> <tr> <td data-bbox="485 958 746 1019">Issue price / consideration</td><td data-bbox="778 958 1380 1108">The JLM Options were issued for nil cash consideration, as they formed part of the consideration payable by Hydrix to the Joint Lead Managers for the services associated with the Placement.</td></tr> <tr> <td data-bbox="485 1131 746 1227">Purpose of issue and use of funds raised</td><td data-bbox="778 1131 1380 1505"> <p>No funds were raised from the issue of the JLM Options as they were issued for nil cash consideration, as part consideration for services provided by the Joint Lead Managers in connection with the Placement.</p> <p>In the event that the 1,000,000 JLM Options are fully exercised, the Company will raise approximately \$300,000. It is intended that any funds raised through the exercise of JLM Options will be applied towards the Company's general working capital requirements.</p> </td></tr> <tr> <td data-bbox="485 1527 746 1588">Summary of agreement</td><td data-bbox="778 1527 1380 1924">The Company is party to a mandate agreement with the Joint Lead Managers, under which the Joint Lead Managers agreed to act as joint lead managers and bookrunners for the Placement. Under the mandate agreement, the Company agreed to pay the Joint Lead Managers: (a) a management fee of 2% of the total funds raised under the Placement; (b) a selling fee of 4% of the funds raised by the Joint Lead Managers under the Placement; and (c) an option fee of 1,000,000 unlisted options, exercisable at 30 cents, expiring 3 years from their date of issue (being the JLM Options the subject of this Resolution 3).</td></tr> <tr> <td data-bbox="485 1946 746 2007">Voting exclusion statement</td><td data-bbox="778 1946 1380 2007">A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	Recipients of issue	Nominees of the Joint Lead Managers.	Number and class of securities issued	1,000,000 unlisted options, each to acquire a fully paid ordinary share in Hydrix.	Material terms of securities	The JLM Options are each exercisable into a Share at \$0.30, on or before their expiry date of 7 March 2025. The detailed terms of the JLM Options are set out in Annexure B to the Explanatory Memorandum.	Date of issue	The JLM Options were issued on 7 March 2022.	Issue price / consideration	The JLM Options were issued for nil cash consideration, as they formed part of the consideration payable by Hydrix to the Joint Lead Managers for the services associated with the Placement.	Purpose of issue and use of funds raised	<p>No funds were raised from the issue of the JLM Options as they were issued for nil cash consideration, as part consideration for services provided by the Joint Lead Managers in connection with the Placement.</p> <p>In the event that the 1,000,000 JLM Options are fully exercised, the Company will raise approximately \$300,000. It is intended that any funds raised through the exercise of JLM Options will be applied towards the Company's general working capital requirements.</p>	Summary of agreement	The Company is party to a mandate agreement with the Joint Lead Managers, under which the Joint Lead Managers agreed to act as joint lead managers and bookrunners for the Placement. Under the mandate agreement, the Company agreed to pay the Joint Lead Managers: (a) a management fee of 2% of the total funds raised under the Placement; (b) a selling fee of 4% of the funds raised by the Joint Lead Managers under the Placement; and (c) an option fee of 1,000,000 unlisted options, exercisable at 30 cents, expiring 3 years from their date of issue (being the JLM Options the subject of this Resolution 3).	Voting exclusion statement	A voting exclusion statement applies to this item of business, as set out in the Notice.
Recipients of issue	Nominees of the Joint Lead Managers.																
Number and class of securities issued	1,000,000 unlisted options, each to acquire a fully paid ordinary share in Hydrix.																
Material terms of securities	The JLM Options are each exercisable into a Share at \$0.30, on or before their expiry date of 7 March 2025. The detailed terms of the JLM Options are set out in Annexure B to the Explanatory Memorandum.																
Date of issue	The JLM Options were issued on 7 March 2022.																
Issue price / consideration	The JLM Options were issued for nil cash consideration, as they formed part of the consideration payable by Hydrix to the Joint Lead Managers for the services associated with the Placement.																
Purpose of issue and use of funds raised	<p>No funds were raised from the issue of the JLM Options as they were issued for nil cash consideration, as part consideration for services provided by the Joint Lead Managers in connection with the Placement.</p> <p>In the event that the 1,000,000 JLM Options are fully exercised, the Company will raise approximately \$300,000. It is intended that any funds raised through the exercise of JLM Options will be applied towards the Company's general working capital requirements.</p>																
Summary of agreement	The Company is party to a mandate agreement with the Joint Lead Managers, under which the Joint Lead Managers agreed to act as joint lead managers and bookrunners for the Placement. Under the mandate agreement, the Company agreed to pay the Joint Lead Managers: (a) a management fee of 2% of the total funds raised under the Placement; (b) a selling fee of 4% of the funds raised by the Joint Lead Managers under the Placement; and (c) an option fee of 1,000,000 unlisted options, exercisable at 30 cents, expiring 3 years from their date of issue (being the JLM Options the subject of this Resolution 3).																
Voting exclusion statement	A voting exclusion statement applies to this item of business, as set out in the Notice.																

Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of Resolution 3.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

Approval for issue of Attaching Options

Resolution 4	Approval for issue of Attaching Options														
Explanation	Resolution 4 seeks shareholder approval under ASX Listing Rule 7.1 for the issue of up to 22,280,000 Attaching Options under the Tranche 2 Placement, without using the Company's 15% Placement Capacity.														
Specific information for Resolution 4	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p> <table> <tr> <td>Recipients of issue</td><td>The subscribers to the Tranche 1 Placement as described above in the explanatory notes to Resolution 1.</td></tr> <tr> <td>Number and class of securities to be issued</td><td>Up to 22,280,000 Attaching Options.</td></tr> <tr> <td>Terms of securities</td><td>The Attaching Options are options to acquire fully paid ordinary shares in the Company. Each Attaching Option is exercisable into a Share at 18 cents, on or before their expiry date of 31 March 2024. Refer to Annexure A for detailed terms of the Attaching Options.</td></tr> <tr> <td>Date by which securities will be issued</td><td>The Company intends to issue the Attaching Options as soon as practicable after the Meeting, or any event within 3 months from the date of the Meeting.</td></tr> <tr> <td>Issue price per security</td><td>The Attaching Options will be issued as free attaching options, on the basis of one Attaching Option for every one Placement Share subscribed.</td></tr> <tr> <td>Purpose of issue and use of funds raised</td><td> <p>The Attaching Options are being issued as free attaching options to the Placement Shares. No funds are being raised from the issue of the Attaching Options.</p> <p>In the event that the maximum of 22,280,000 Attaching Options are exercised, the Company will raise approximately \$4 million. It is intended that any funds raised through the exercise of Attaching Options will be applied towards the Company's general working capital requirements.</p> </td></tr> <tr> <td>Voting exclusion statement</td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	Recipients of issue	The subscribers to the Tranche 1 Placement as described above in the explanatory notes to Resolution 1.	Number and class of securities to be issued	Up to 22,280,000 Attaching Options.	Terms of securities	The Attaching Options are options to acquire fully paid ordinary shares in the Company. Each Attaching Option is exercisable into a Share at 18 cents, on or before their expiry date of 31 March 2024. Refer to Annexure A for detailed terms of the Attaching Options.	Date by which securities will be issued	The Company intends to issue the Attaching Options as soon as practicable after the Meeting, or any event within 3 months from the date of the Meeting.	Issue price per security	The Attaching Options will be issued as free attaching options, on the basis of one Attaching Option for every one Placement Share subscribed.	Purpose of issue and use of funds raised	<p>The Attaching Options are being issued as free attaching options to the Placement Shares. No funds are being raised from the issue of the Attaching Options.</p> <p>In the event that the maximum of 22,280,000 Attaching Options are exercised, the Company will raise approximately \$4 million. It is intended that any funds raised through the exercise of Attaching Options will be applied towards the Company's general working capital requirements.</p>	Voting exclusion statement	A voting exclusion statement applies to this item of business, as set out in the Notice.
Recipients of issue	The subscribers to the Tranche 1 Placement as described above in the explanatory notes to Resolution 1.														
Number and class of securities to be issued	Up to 22,280,000 Attaching Options.														
Terms of securities	The Attaching Options are options to acquire fully paid ordinary shares in the Company. Each Attaching Option is exercisable into a Share at 18 cents, on or before their expiry date of 31 March 2024. Refer to Annexure A for detailed terms of the Attaching Options.														
Date by which securities will be issued	The Company intends to issue the Attaching Options as soon as practicable after the Meeting, or any event within 3 months from the date of the Meeting.														
Issue price per security	The Attaching Options will be issued as free attaching options, on the basis of one Attaching Option for every one Placement Share subscribed.														
Purpose of issue and use of funds raised	<p>The Attaching Options are being issued as free attaching options to the Placement Shares. No funds are being raised from the issue of the Attaching Options.</p> <p>In the event that the maximum of 22,280,000 Attaching Options are exercised, the Company will raise approximately \$4 million. It is intended that any funds raised through the exercise of Attaching Options will be applied towards the Company's general working capital requirements.</p>														
Voting exclusion statement	A voting exclusion statement applies to this item of business, as set out in the Notice.														

Board recommendation	The Directors unanimously recommend that shareholders vote in favour of Resolution 4.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

Approval for related parties to participate in Placement

Resolutions 5A to 5E - Approval for related parties to participate in Placement	
Explanation	<p>A total of 6,000,000 Placement Shares and 6,000,000 Attaching Options have been subscribed for by Directors Paul Lewis MBE, FAICD, Gavin Coote, Joanne Bryant and Paul Wright, and major shareholder John King (including through entities controlled by those persons) under the Placement (Related Party Securities).</p> <p>ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of Equity Securities to a related party of the company.</p> <p>The following persons are considered to be related parties of the Company:</p> <ul style="list-style-type: none"> ▪ Gavin Coote (Director); ▪ Joanne Bryant (Director); ▪ Paul Lewis MBE, FAICD (Director); ▪ Paul Wright (Director); ▪ Julie King (Director) and her parent John King; and ▪ Entities controlled by the persons named above. <p>Resolutions 5A to 5E seek the shareholder approval required by ASX Listing Rule 10.11 to allow the issue of the Related Party Securities to Gavin Coote, Joanne Bryant, Paul Lewis, Paul Wright and John W King Nominees Pty Ltd (and/or their controlled entities, as applicable).</p> <p>John W King Nominees Pty Ltd is an entity controlled by John King, who is a parent of Director Julie King. Julie King has a relevant interest in Shares held by John W King Nominees Pty Ltd.</p> <p>If shareholder approval is given for the purposes of ASX Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1, and the Shares issued under Resolutions 5A to 5E will not deplete the Company's 15% Placement Capacity.</p>
Approval not sought under Chapter 2E of the Corporations Act	<p>As noted above, for the purposes of Chapter 2E of the Corporations Act, Gavin Coote, Joanne Bryant, Paul Lewis, Paul Wright and John King (and entities they control) are related parties of the Company.</p> <p>A "financial benefit" is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. The giving of a financial benefit to a related party of a public company is ordinarily prohibited by Chapter 2E of the Corporations Act. The exceptions to the general prohibition are where the benefit is given with the approval of shareholders or the benefit is given in one or more of the limited circumstances in which the giving of a financial benefit to a related party of a public company is permitted.</p>

	<p>One exception to the general rule is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm's length terms (or on terms more favourable to the Company than arm's length terms).</p> <p>The Directors have determined that the proposed issue of the Related Party Securities to the related parties are reasonable in the circumstances, if the Company and the related parties are dealing on arm's length terms. In making this determination, the Directors took into account the following factors:</p> <ul style="list-style-type: none"> (a) the Related Party Securities form part of the Placement, and are to be issued on identical terms to the other Placement Shares (and Attaching Options) subscribed for by non-related party investors. The terms of the Placement were determined on an arm's length basis, through consultation with the Joint Lead Managers; (b) the 6 million Placement Shares would have been issued as part of the Tranche 1 Placement, but for the fact that Shareholder approval must be obtained prior to the issue of any Equity Securities to related parties of the Company pursuant to ASX Listing Rule 10.11; and (c) the 6 million Attaching Options would have been issued under Resolution 4 (along with the remainder of the Attaching Options), but for the Shareholder approval requirement under ASX Listing Rule 10.11. <p>On this basis, as the provision of such benefits is expressly permitted by the arm's length exception under the Corporations Act, the Board does not consider the Company is required to seek Shareholder approval in order to give the related parties the financial benefit that is inherent in the issue of the Related Party Securities.</p>						
<p>Specific information for Resolutions 5A to 5E</p>	<p>In accordance with ASX Listing Rule 10.13, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.11, the following information is provided to shareholders:</p> <table> <tr> <td>Recipients of securities</td><td> <p>Resolution 5A: Gavin Coote or his controlled entities</p> <p>Resolution 5B: Joanne Bryant or her controlled entities</p> <p>Resolution 5C: Paul Lewis or his controlled entities</p> <p>Resolution 5D: Paul Wright or his controlled entities</p> <p>Resolution 5E: John W King Nominees Pty Ltd or its nominees</p> </td></tr> <tr> <td>ASX Rule Category</td><td> <p>Resolutions 5A – 5D: As Directors of the Company, Gavin Coote, Joanne Bryant, Paul Lewis and Paul Wright (and entities they control) are related parties of the Company, and fall within the Listing Rule 10.11.1 (related party) category of persons.</p> <p>Resolution 5E: John W King Nominees Pty Ltd is an entity controlled by John King. As a parent of Director Julie King, John King (and entities he controls) falls within the Listing Rule 10.11.1 (related party) category of persons. Julie King has a relevant interest in the Hydrix Shares held by John W King Nominees Pty Ltd.</p> </td></tr> <tr> <td>Maximum number and class of</td><td> <p>Resolution 5A: 1,000,000 Placement Shares and 1,000,000 Attaching Options</p> <p>Resolution 5B: 250,000 Placement Shares and 250,000 Attaching Options</p> </td></tr> </table>	Recipients of securities	<p>Resolution 5A: Gavin Coote or his controlled entities</p> <p>Resolution 5B: Joanne Bryant or her controlled entities</p> <p>Resolution 5C: Paul Lewis or his controlled entities</p> <p>Resolution 5D: Paul Wright or his controlled entities</p> <p>Resolution 5E: John W King Nominees Pty Ltd or its nominees</p>	ASX Rule Category	<p>Resolutions 5A – 5D: As Directors of the Company, Gavin Coote, Joanne Bryant, Paul Lewis and Paul Wright (and entities they control) are related parties of the Company, and fall within the Listing Rule 10.11.1 (related party) category of persons.</p> <p>Resolution 5E: John W King Nominees Pty Ltd is an entity controlled by John King. As a parent of Director Julie King, John King (and entities he controls) falls within the Listing Rule 10.11.1 (related party) category of persons. Julie King has a relevant interest in the Hydrix Shares held by John W King Nominees Pty Ltd.</p>	Maximum number and class of	<p>Resolution 5A: 1,000,000 Placement Shares and 1,000,000 Attaching Options</p> <p>Resolution 5B: 250,000 Placement Shares and 250,000 Attaching Options</p>
Recipients of securities	<p>Resolution 5A: Gavin Coote or his controlled entities</p> <p>Resolution 5B: Joanne Bryant or her controlled entities</p> <p>Resolution 5C: Paul Lewis or his controlled entities</p> <p>Resolution 5D: Paul Wright or his controlled entities</p> <p>Resolution 5E: John W King Nominees Pty Ltd or its nominees</p>						
ASX Rule Category	<p>Resolutions 5A – 5D: As Directors of the Company, Gavin Coote, Joanne Bryant, Paul Lewis and Paul Wright (and entities they control) are related parties of the Company, and fall within the Listing Rule 10.11.1 (related party) category of persons.</p> <p>Resolution 5E: John W King Nominees Pty Ltd is an entity controlled by John King. As a parent of Director Julie King, John King (and entities he controls) falls within the Listing Rule 10.11.1 (related party) category of persons. Julie King has a relevant interest in the Hydrix Shares held by John W King Nominees Pty Ltd.</p>						
Maximum number and class of	<p>Resolution 5A: 1,000,000 Placement Shares and 1,000,000 Attaching Options</p> <p>Resolution 5B: 250,000 Placement Shares and 250,000 Attaching Options</p>						

	<p>securities to be issued</p> <p>Resolution 5C: 2,000,000 Placement Shares and 2,000,000 Attaching Options</p> <p>Resolution 5D: 250,000 Placement Shares and 250,000 Attaching Options</p> <p>Resolution 5E: 2,500,000 Placement Shares and 2,500,000 Attaching Options</p> <p>Terms of securities</p> <p>The Placement Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>The Attaching Options are options to acquire fully paid ordinary shares in the Company, each exercisable at 18 cents and expiring on 31 March 2024. Refer to Annexure A for detailed terms of the Attaching Options.</p> <p>Date for issue and allotment of securities</p> <p>Subject to Shareholder approval being obtained, the Company will issue the Related Party Securities as soon as practicable after the Meeting, and in any event no later than 1 month after the date of the Meeting.</p> <p>Issue price per security</p> <p>The Placement Shares will be issued at an issue price of \$0.10 per Share.</p> <p>The Attaching Options will be issued as free attaching Options, on the basis of one Attaching Option for every 1 new Placement Share subscribed for under the Placement offer.</p> <p>Purpose of issue and use of funds raised</p> <p>As detailed in the Company's announcement dated 28 February 2022, the Placement funds raised from the issue of Shares will be (or have been) used for the following:</p> <ul style="list-style-type: none"> ▪ Market development and expansion of cardiac devices portfolio; ▪ Expand global business development and marketing of product design and engineering services; ▪ Venture investments in high potential early stage medtech device clients; ▪ Group working capital in support of strategic objectives; and ▪ Pay for the costs of the Placement. <p>The 6,000,000 Attaching Options the subject of Resolutions 5A-5E are being issued as free attaching options to the Placement Shares. No funds are being raised from the issue of the Attaching Options.</p> <p>In the event that the 6,000,000 Attaching Options are fully exercised, the Company will raise approximately \$1 million. It is intended that any funds raised through the exercise of Attaching Options will be applied towards the Company's general working capital requirements.</p>
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	<p>Voting exclusion statement</p> <p>A voting exclusion statement applies to each of Resolutions 5A to 5E, as set out in the Notice.</p>
<p>Board Recommendation</p>	<p>The Board, with Gavin Coote, Joanne Bryant, Paul Lewis, Paul Wright and Julie King abstaining on making a recommendation on Resolutions 5A, 5B, 5C, 5D and 5E respectively, recommends that shareholders vote in favour of Resolutions 5A – 5E.</p>
<p>Chairman's available proxies</p>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 5A – 5E.</p>

DEFINITIONS

10% Placement Capacity	Means the Company's capacity to issue shares under ASX Listing Rule 7.1A.
15% Placement Capacity	Means the Company's capacity to issue shares under ASX Listing Rule 7.1.
ASX	Means ASX Limited (ACN 008 624 691) or the securities exchange operated by ASX Limited (as the context requires).
Attaching Options	Means the free attaching Options issued under the Placement (on the basis of 1 Option for every 1 Placement Share subscribed for), each exercisable into a Share at \$0.18 on or before the expiry date of 31 March 2024, the detailed terms of which are set out in Annexure A.
Board	Means the board of Directors of the Company.
Corporations Act	Means the <i>Corporations Act 2001</i> (Cth).
Company or Hydrix	Means Hydrix Limited ACN 060 369 048.
Director	Means a director of the Company.
Equity Security	Means: a) a share; b) a right to a share or option; c) an option over an issued or unissued security; d) a convertible security; e) any security that ASX decides to classify as an equity security.
JLM Options	Means the unlisted Options issued to the Joint Lead Managers, each exercisable into a Share at \$0.38 on or before the expiry date of 7 March 2025, the detailed terms of which are set out in Annexure B.
Joint Lead Managers	Means the joint lead managers and bookrunners of the Placement, being Bell Potter Securities Limited and Baker Young Limited.
Option	Means an option to acquire a Share.
Meeting	Means the extraordinary general meeting convened by the Company the subject of this Notice.
Placement	Means the capital raising placement announced by the Company to the ASX on 28 February 2022, to raise \$2.82 million through the issue of 28,280,000 Placement Shares and 28,280,000 Attaching Options to sophisticated investors.
Placement Shares	Means the Shares issued under the Placement, with an issue price of \$0.10 per Share.
Related Party Securities	Means the 6,000,000 Placement Shares and 6,000,000 Attaching Options to be issued to related parties of the Company under the Tranche 2 Placement.
Share	Means a fully paid ordinary share in the capital of the Company.
Tranche 1 Placement	Means the first tranche of 22,280,000 Shares issued by Hydrix under the Placement on 7 March 2022, and " Tranche 1 Placement Shares " has a corresponding meaning.
Tranche 2 Placement	Means the second tranche of the Placement, comprised of: <ul style="list-style-type: none"> ▪ 6,000,000 Placement Shares and 6,000,000 Attaching Options to be issued to related parties of the Company (the subject of Resolutions 5A – 5E); and ▪ 22,280,000 Attaching Options to be issued to investors who subscribed for Placement Shares under the Tranche 1 Placement (the subject of Resolution 4).

Annexure A – Terms of Attaching Options

The material terms and conditions of the Attaching Options are as follows:

(a) **Entitlement**

Each Attaching Option entitles the holder to subscribe for one Share in the Company upon exercise of the Attaching Option.

(b) **Exercise Price**

The amount payable upon exercise of each Attaching Option will be \$0.18 (**Exercise Price**).

(c) **Expiry Date**

Each Attaching Option will expire at 5.00pm (AEDT) on 31 March 2024 (**Expiry Date**). If such date falls on a day that is not a Business Day, the final date will be the next Business Day. Any Attaching Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Attaching Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Attaching Options may be exercised during the Exercise Period by notice in writing to the Company in the manner acceptable to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Attaching Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Attaching Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date:

- (i) the Company will issue the number of Shares required under these terms and conditions in respect of the number of Attaching Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if the Company is admitted to the Official List of ASX at the time, apply for Official Quotation of Shares issued pursuant to the exercise of the Attaching Options.

(h) **Shares issued on exercise**

Shares issued on exercise of the Attaching Options rank equally with the then issued shares of the Company.

(i) **Participation in new issues**

There are no participation rights or entitlements inherent in the Attaching Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Attaching Options without exercising the Attaching Options.

(j) **Change in exercise price**

An Attaching Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Attaching Option can be exercised.

(k) **Reconstruction**

In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Attaching Option holder shall be changed to the extent necessary to comply with the Listing Rules applying at the time.

(l) **Quotation and transferability**

The Attaching Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws, and it is intended that application will be made to ASX for official quotation of the Options.

Annexure B – Terms of JLM Options

The material terms and conditions of the JLM Options are as follows:

(a) **Entitlement**

Each JLM Option entitles the holder to subscribe for one Share in the Company upon exercise of the JLM Option.

(b) **Exercise Price**

The amount payable upon exercise of each JLM Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each JLM Option will expire at 5.00pm (AEDT) on 7 March 2025 (**Expiry Date**). If such date falls on a day that is not a Business Day, the final date will be the next Business Day. Any JLM Option not exercised by the Expiry Date will automatically lapse.

(d) **Exercise Period**

The JLM Options are exercisable at any time from the date of issue, on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The JLM Options may be exercised during the Exercise Period by notice in writing to the Company in the manner acceptable to the Company (**Notice of Exercise**), and payment of the Exercise Price for each JLM Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each JLM Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will issue the number of Shares required under these terms and conditions in respect of the number of JLM Options specified in the Notice of Exercise, and for which cleared funds have been received by the Company.

(h) **Shares issued on exercise**

Shares issued on exercise of the JLM Options rank equally with the then issued shares of the Company.

(i) **Participation in new issues**

There are no participation rights or entitlements inherent in the JLM Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the JLM Options without exercising the Options.

(j) **Change in exercise price**

A JLM Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the JLM Option can be exercised.

(k) **Reconstruction**

In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the JLM Option holder shall be changed to the extent necessary to comply with the Listing Rules applying at the time.

(l) **Transferability**

The JLM Options are non-transferable, unless the transfer is made to a related body corporate of the relevant Optionholder with the Company's consent.

(m) **Quotation**

- (i) The Company does not intend to apply to ASX for official quotation of the JLM Options.
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any JLM Options within 5 business days (as defined in the Listing Rules) of issue.

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 3:00pm on Tuesday 12 April 2022.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/hydegm2022>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **3:00pm on Tuesday 12 April 2022**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** <https://www.votingonline.com.au/hydegm2022>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Hydrix Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at **Holding Redlich, Level 8, 555 Bourke Street, Melbourne VIC 3000 on Thursday 14 April 2022 at 3:00pm** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of issue of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of Shares to Jasper Capital Ltd nominees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of JLM Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for issue of Placement Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5A	Approval for Director Gavin Coote to participate in Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5B	Approval for Director Joanne Bryant to participate in Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5C	Approval for Director Paul Lewis MBE, FAICD to participate in Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5D	Approval for Director Paul Wright to participate in Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5E	Approval for John W King Nominees Pty Ltd to participate in Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022